

1999 – 2000

GENERAL REQUIREMENTS

CHANGES

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PROFESSIONAL AND GOVERNMENTAL STANDARDS**401****I. OBJECTIVE**

During 1999, the Governmental Accounting Standards board (GASB) developed new reporting models for governmental entities, public colleges, and universities.

A. Governmental Entities

GASB Statement 34 – *Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments*, establishes new financial reporting requirements for governmental entities. GASB 34 is effective in phases based on the government entities total revenues in the first fiscal year ending after June 15, 1999. Early application is encouraged. See **Section 630** of this Guide for details.

B. Public Colleges and Universities

GASB Statement 35, *Basic Financial Statements - and Management’s Discussion and Analysis - for Public Colleges and Universities*. GASB 35 is effective in phases based on the entities total revenues in the first fiscal year ending after June 15, 1999. Early application is encouraged. See **Section 635** of this Guide for details.

II. GENERAL AUDIT PROCEDURES

The audit shall adhere to these new reporting requirements and the supplemental information requirements of the CDE.

CALIFORNIA DEPT. OF EDUCATION FUNDS

420

Continued Funding Sources/Resources

(CCR, Title 5, Division 19, Chapter 1, Article 5, Section 18010)

I. OBJECTIVE

No Change

II. GENERAL AUDIT PROCEDURES

No Change

Resources:

The complete application package for continued funding is now available by Internet access at the CDD's website address: **[ftp://ftp.cde.ca.gov/Child Development](ftp://ftp.cde.ca.gov/Child%20Development)**.

CALIFORNIA DEPT. OF EDUCATION FUNDS**420****I. OBJECTIVE**

No Change

QUALITY IMPROVEMENT PROGRAM PLAN

The California Department of Education's Quality Improvement Program Plan (QIPP) for 1999-2000 covers six critical categories of activities. These categories provide the infrastructure to ensure that children in subsidized child care and development programs are receiving the necessary support to enable them to grow, develop and become able learners in safe and healthy child care environments. These categories are: parent education and assistance; professional development; early literacy; child care capacity building; health and safety; program evaluation; and other activities consistent with the purposes and requirements of the Child Care Development Fund.

In State Fiscal year 1999-2000, QIPP expenditures will total \$49.4 million. Of this amount, federal requirements mandate that \$6.3 million be spent on quality activities for infants and toddlers and that \$2.3 million be spent on child care resource and referral and school age child care activities (for a total of \$8.6 million).

The following are the major categories and activities in the 1999-2000 CCDF QIPP:

I. Parent Education and Assistance**A. Resource and Referral Programs ****

Funds will be allocated to support California's system of resource and referral programs that are located in every county of the State. These funds support administering the Trustline Application process; maintaining a data base that includes information about all licensed providers offering child care in each resource and referral program's service delivery area; making referrals for child care services to meet families' needs; disseminating consumer education materials; developing, gathering, and reporting data to the CDE regarding the supply and demand for child care services within their local areas; and carrying out other activities that support center-based, family child care and license-exempt providers, and parents in each county or service area.

CALIFORNIA DEPT. OF EDUCATION FUNDS**420****QUALITY IMPROVEMENT PROGRAM PLAN****II. Professional Development (continued)****B. Comprehensive Consumer Education****1. “Care About Quality” Consumer Education Campaign**

California has embarked on a major public awareness campaign about the importance of quality child care and development programs to the child, family, and community. Major emphasis focuses on assisting parents in selecting child care services that best meet the needs of their child and their family as they are involved in work or training activities. Large quantities of materials will be reproduced for dissemination by Child Welfare Departments (CWDs), public health departments, hospitals, schools, libraries, video stores, child care providers, resource and referral programs, churches, medical offices, training sites, community colleges, etc.

2. 800-KIDS-793 Phone Line for Parents

A 1-800-phone system, accessible to the public throughout the state of California, will offer assistance to parents and child care providers in receiving child care and family resource information in their communities. The automated system, using caller zip code information, will refer callers to the child care resource and referral agency in their local area. This system is an important component of the comprehensive consumer education campaign.

3. Parent Involvement Initiative

Funds will be used to focus on increasing parent involvement opportunities in child care and development programs. These activities will complement existing quality improvement program directives that emphasize the inclusion of family participation. This initiative will establish a parent involvement advisory committee, produce a strategic plan for parent involvement activities, create training materials, and implement parent involvement training.

CALIFORNIA DEPT. OF EDUCATION FUNDS**420****QUALITY IMPROVEMENT PROGRAM PLAN****II. Professional Development (continued)****A. Child Development Training Consortium**

The Child Development Training Consortium provides direct child development training through college-level coursework to impact the quality of care. This training creates a pool of qualified staff for child care and development programs and addresses the issues of access to training, career ladder access for providers, staff retention, content flexibility, and cost effectiveness while providing outreach at the local level to assist in the recruitment and preparation of underrepresented groups. Participants, currently employed in a child care and development program, earn college units in child development and general education as required to attain the Child Development Permit. Students may attend regularly scheduled core curriculum classes and special topic classes based on locally identified needs. Classes may be offered at off-campus locations to facilitate access for working students. Approximately 7,000 students complete more than 50,000 units each year at 81 community colleges. The success of this program is reflected in a 97 percent student course completion rate.

B. Mentor Teacher/Director Program

The mentor program will be conducted at approximately 70 community college campuses. The goal of the program is to support experienced teachers or directors and encourage them to remain in the field of early childhood education. This program provides financial compensation and other benefits to child care and development teachers and directors who are selected as mentors. Mentor applicants must complete a self-assessment of their classroom, and their program director must agree to conditions of their participation. Candidates for Director Mentor undergo a two-day training session and agree to attend subsequent Director Mentor seminar series. A local selection committee convened by the community college chooses mentor teachers and directors. The average stipend per classroom mentor is estimated to be \$1,200 per year. More than 700 early childhood education students and director proteges will be provided alternative placements for practicum experiences and direct program consultation while offering additional salary compensation to 535 mentor teachers and directors.

CALIFORNIA DEPT. OF EDUCATION FUNDS**420****QUALITY IMPROVEMENT PROGRAM PLAN****II. Professional Development (continued)****C. Stipend for Permit**

The Stipend for Permit project is managed through the Child Development Training Consortium. This program assists potential teachers in child care and development programs to obtain a Child Development Permit by paying the cost of the application fees. Salaries of child care teaching staff are substantially less than those of workers with similar levels of education. Assistance with the cost of permits provides these staff with incentives to proceed with completing child development related training which research has shown to increase the quality of care provided to children. Staff also benefits from completing the additional coursework, as they are able to secure permanent positions as teachers. A filing fee of \$70 is required for each initial permit application plus a one-time \$56 fingerprint clearance fee. Implementation of this program continues in collaboration with the California Commission on Teacher Credentialing which issues these permits.

D. Child Development Teacher and Supervisor Grant Program

This program, administered by the California Student Aid Commission, provides assistance through grants for college course work leading to the attainment of a Child Development Permit at the Teacher, Master Teacher, Supervisor, or Program Director levels. Participants in this program are selected on the basis of their demonstrated financial need and academic achievement. They must further commit to working one full year in a licensed child care center for every year they receive a grant. Commitments will be honored for students approved prior to July 1, 1997, under the pre-existing teacher loan assumption program.

E. Career Incentive Grant Program **

This program, administered by the Child Development Training Consortium, provides assistance through grants for college course work leading to the attainment of a Child Development Permit at the Teacher, Master Teacher, Supervisor, or Program Director levels. Participants in this program must be current employees in a California Department of Education; Child Development Division funded program. This program serves individuals who do not have access to a Consortium community college campus or attend a four-year college or university. Applications are processed on a first come, first served basis.

CALIFORNIA DEPT. OF EDUCATION FUNDS**420****QUALITY IMPROVEMENT PROGRAM PLAN****II. Professional Development (continued)****F. Program for Infant/Toddler Caregivers**

This comprehensive multi-media training program for trainers of infant/toddler caregivers is presented in four separate modules which cover the topics of social-emotional development, quality group care, cognitive and language development, and cultural and family issues. Participants who complete the modules and related course work receive certificates, which recognize them as endorsed trainers for the Program for Infant/Toddler Caregivers (PITC). Endorsed trainers who receive scholarships will be required to conduct a minimum of twenty-five hours of training in their local area during the next two years using the PITC materials. Participants receive copies of all curriculum guides, training manuals, and other print resource materials from the program and are able to purchase the videos at discounted prices.

G. School-Age**1. Training for School-Age Program Professionals (Teachers and Administrators)**

The California School-Age Consortium will conduct a series of training of trainer's institutes. The training will be provided throughout the State using the CDE Kids' Time Training Manual, Program Guide, and video as the basis of the curriculum. The training activities will be drawn from the training guide and will include such topics as: developmentally appropriate practices for school-age programs, behavior management techniques, creating positive interpersonal environment, assessing children's interests, building partnerships with parents, strengthening links with the child's school, and encouraging community participation. Participants will be provided with a copy of the Kids' Time Training Manual, Program Guide, and video to support training in their local communities.

2. Stipend for Trainers with School-Age and After-School Focus

To support the retention of trainers who have completed State-funded Kid's Time training of trainers institutes, and to provide community-based training to staff working in before-and after-school programs, CDE will provide stipends for endorsed trainers to conduct local training sessions and provide on-site consultation for the enhancement of quality in school-age and after school programs.

CALIFORNIA DEPT. OF EDUCATION FUNDS**420****QUALITY IMPROVEMENT PROGRAM PLAN****II. Professional Development (continued)**

- 3. School-Age Curriculum and Materials Development and Distribution**
Program materials will be prepared and disseminated in print and electronic format to foster the training and development of staff and promote high-quality school-age and after-school programs. Materials will include a science activity guide; a handbook for college volunteers; a manual for program administrators working with volunteers; and a report on programs designed for young adolescents.

H. Local Program Quality Consortia Grants

A network of more than 53 local child development program quality consortia are in place throughout the State. The local program quality consortia are comprised of members who are employed in both subsidized (including Head Start) and nonsubsidized child care and development programs. Consortia funds, combined with other resources, enhance the availability and quality of professional development activities available to consortia member programs. This networking provides an opportunity to share successful child development program practices and assists peers in implementing these practices.

I. Statewide Network for Child Development Permit Matrix Professional Growth Advisors

Funds will be used to conduct a competitive proposal process to identify an agency to coordinate the development of a Statewide network of Child Development Permit Matrix Professional Development Advisors. This selected agency will be responsible for establishing a registry of Professional Growth Advisors; providing training for new advisors; providing refresher training for 700 existing advisors; and developing and maintaining an electronic system for providing information about the professional growth plan requirements.

CALIFORNIA DEPT. OF EDUCATION FUNDS**420****QUALITY IMPROVEMENT PROGRAM PLAN****III. Early Literacy****A. Pre-kindergarten Learning and Development Guidelines ****

The Pre-kindergarten Learning and Development Guidelines will be published and support resources, including a video, will be developed. A series of Training of Trainers sessions to support community-based in-service training based on a publication incorporating the Pre-kindergarten Learning and Development Guidelines will be conducted throughout the State. These sessions will target teachers who work with children ages three through five. Participants will receive a copy of the final version of the Pre-kindergarten Learning and Development Guidelines, and other support materials.

B. Implementation of the Desired Results System for Children and Parents

Funds will be used to develop and implement a data collection system to measure the achievement of the identified desired results for children and their parents receiving State-and federally-subsidized child care and development services. The system will measure the achievement of desired results for children and families as well as the evaluation of achievement of Program Performance Standards for direct service programs, APPs, and Resource and Referral agencies. Full implementation will follow the field-testing period in State fiscal year 1999-2000.

C. Training to Support Staff Working with Children with Limited-English Proficiency

A series of two-day Training of Trainers sessions based on the CDE materials *Assessing and Fostering a First and a Second Language in Early Childhood* will be conducted throughout the State. These sessions will target program coordinators and other supervisors serving preschool-aged children in California. Participants will receive a training manual, resource guides, videos, and support materials, which will facilitate additional training in their local communities.

CALIFORNIA DEPT. OF EDUCATION FUNDS**420****QUALITY IMPROVEMENT PROGRAM PLAN****IV. Child Care Capacity Building****A. Local Child Care Planning Council Grants ****

Local child care planning councils, appointed by local county superintendents of schools pursuant to *Education Code* Section 8499.5, assess the needs for child care and development services and identify gaps in the supply of existing licensed center-based and family child care programs. Based on the information obtained through periodic needs assessments, the local child care planning councils establish priorities for the use of funds to address the identified needs of the community. These priorities typically specify the ages of the children, the target populations, special needs or circumstances of families, and the geographic areas of service.

B. Regional Resource Centers to Develop Capacity in Underserved Areas

In keeping with the legislative intent of *Education Code* 6289 to "...promote equal access to child development services across the state," ten regional community-based organizations will be identified, through the Request for Proposal (RFP) process, to provide training and technical assistance to local agencies to increase their ability to compete successfully for funds and operate quality child care and development programs in underserved communities.

C. Infant/Toddler Capacity Building**1. Infant Toddler Specialist for Healthline**

Funds will be allocated to continue to support the presence of an infant/toddler specialist to respond to inquiries from potential, new, and existing family child care (including license-exempt) and center-based providers related to health and developmental issues for children from birth to three years of age.

2. Start-up and Resource Grants

Funds will be allocated to provide grants to new and existing CDD contractors to cover the cost of: infant/toddler equipment, appropriate educational materials, and minor renovation and repairs to meet health and safety requirements; and for environmental changes to support small groups and continuity of care.

CALIFORNIA DEPT. OF EDUCATION FUNDS**420****QUALITY IMPROVEMENT PROGRAM PLAN****IV. Child Care Capacity Building (continued)**

- 3. Expand Child Care Initiative Project with an Infant/Toddler Focus**
Funds will be allocated to maintain and expand the Child Care Initiative Project to increase the supply of infant/toddler family child care providers in approximately 25 to 35 counties by the recruitment, training, and initial support of family child care providers serving infants and toddlers. This effort will focus on those counties with the greatest unmet need for infant/toddler care.
- 4. Outreach Sessions**
Funds will be allocated to conduct up to 25 outreach training sessions for existing planning groups to support the completion of their county infant/toddler capacity plan. These plans were initiated during community forums conducted during State fiscal year 1998-1999. Up to 10 outreach sessions will be held for specific target populations. WestEd will coordinate these sessions. Critical topics will include: recent brain research and implications of these research findings for administrative policies; results of national studies of child care quality; and program practices and care-giving strategies that support optimal infant/toddler development. The content and length of the specifically targeted sessions will be customized to meet the needs of the unique audiences including teen parent groups, American Indian tribal groups, and other planning agencies.
- 5. Inclusion of Infants and Toddlers with Disabilities**
Funds will be allocated to provide training for those certified by the Program for Infant/Toddler Caregivers (PITC) on strategies, program practices, and models that support full inclusion of infants and toddlers with disabilities in child care settings. This activity will create a cadre of qualified trainers who will be available to assist local child care providers in complying with the requirements of the American with Disabilities Act.

CALIFORNIA DEPT. OF EDUCATION FUNDS**420****QUALITY IMPROVEMENT PROGRAM PLAN****IV. Child Care Capacity Building (continued)****C. Infant/Toddler Capacity Building (continued)****6. Expand Program for Infant/Toddler Caregiver Institutes**

Funds will be allocated to expand the PITC trainer or trainers institutes by having 60 additional trainers completing each of the four modules. This training will expand the cadre of local certified PITC trainers.

7. Stipend for Trainers with an Infant/Toddler Focus

Funds will be allocated to support the retention of trainers who have completed State-funded trainer-of-trainer initiatives and to provide community-based training to staff working in child care and development programs. CDE will provide stipends for endorsed trainers to primarily conduct on site training sessions and provide technical assistance for the enhancement of quality in infant/toddler programs.

8. Regional Training Coordinators

Funds will be allocated to provide ten regional coordinators to support PITC certified trainers in the provision of training at the local level. These regional coordinators will be responsible for overseeing the allocation of stipends for local trainers; arranging regular meetings with trainers to share new resource materials; coordinating outreach services to new and existing infant/toddler programs; and coordinating PITC training at the five community college PITC model training sites discussed below.

9. Model Sites

Funds will be allocated to provide funding necessary for staff training, equipment, and materials to enhance and maintain five or more PITC model demonstration programs. Funds will also be allocated for renovation and repair needed to help modify the site to provide opportunities for unobtrusive observation of the best practices of the PITC philosophy.

CALIFORNIA DEPT. OF EDUCATION FUNDS**420****QUALITY IMPROVEMENT PROGRAM PLAN****V. Child Care Capacity Building (continued)****D. School-Age Capacity Building****1. Before-and After-School Program Grants**

Funds will be used to provide resource grants to new and on-going providers of before-and after-school programs and to support school-age quality enhancement activities. These grants will cover the cost of special, age-appropriate equipment; ancillary educational materials; and minor renovation and repair to meet health and safety requirements.

E. TANF Training**1. Training TANF Recipients as Child Care Teachers**

This successful two-year program trains TANF recipients to become child care and development teachers. CDE proposes an expansion from three to six geographic areas of the State. During the first year, TANF recipients will be selected, enrolled full time in community college course work with tutorial assistance, and assigned mentor teachers to supervise their field placements and provide support and assistance throughout the program. The second year of training will include 32 hours of paid employment per week, continued education to complete 24 units in early childhood education, and 16 units in general education. Each successful TANF recipient will qualify for a Child Development Teacher Permit at the end of the two-year training period.

2. Training TANF Recipients as Licensed or Licensed-Exempt Family Child Care Providers

(Including providers caring for children in the child's own home) **

This program awards funds to county welfare departments for projects to train TANF recipients to become child care providers. This training is designed to enhance the quality and safety of the care setting, increase the supply of exempt and licensed family child care settings, particularly infant and sick child care, care during non-traditional hours (nights and weekends), and to help welfare recipients meet their work participation requirements. Although counties design programs to meet local needs, each program is asked to target state-identified objectives, requirements and outcome goals.

CALIFORNIA DEPT. OF EDUCATION FUNDS**420****QUALITY IMPROVEMENT PROGRAM PLAN****IV. Child Care Capacity Building (continued)****F. Family Child Care Provider Training****1. Public Broadcasting Preschool Education Project ****

This project will continue to provide training for approximately 2,5000 family child care providers and parents and will be conducted within the viewing areas of seven public television stations in Fresno, San Francisco, San Diego, Eureka, San Jose, Los Angeles, and Redding. A training of trainer's model will include information on how to use television appropriately in the education of young children. Concepts of emerging literacy will be stressed. Providers will receive a provider handbook, training props, and several storybooks. Each public television station has established a network of trainers in order to offer continued support and to conduct refresher training.

2. Family Child Care Provider Training

The California Family Child Care Training Project was designed to support the professional development of family child care providers who are members of local and statewide family child care provider associations. This project will support the training and networking of family child care providers with the goal of enhancing the quality of services provided to families and their children using family child care settings. Activities include the provision of regional family child care institutes each year, grants to local associations for the provision of locally determined training activities, and funds to assist in providing substitutes when needed.

CALIFORNIA DEPT. OF EDUCATION FUNDS**420****QUALITY IMPROVEMENT PROGRAM PLAN****IV. Child Care Capacity Building (continued)****F. Family Child Care Provider Training (continued)****3. Child Care Initiative Project ****

The Child Care Initiative Project was created in 1985 to address the shortage of licensed, quality family child care programs in California. The Initiative is conducted by local resource and referral agencies, which implement a five-stage child care supply-building process. This process includes: assessing local supply and demand and targeting shortages of care in specific geographic areas; recruiting interested individuals who have the potential to become licensed family child care providers; training these individuals to provide quality care and to manage a small business effectively; providing technical assistance to help individuals get licensed and started; and providing ongoing support to help them stay in operation. While private and local contributions to match the CCDF funds will be encouraged, a specific matching requirement will **not** be included since it could act as a barrier to building the supply of licensed family child care providers, especially in rural areas and in areas with high concentrations of poverty.

G. Special Needs**1. Map to Inclusive Child Care**

Funds will be allocated to continue activities included in the strategic plan developed by the advisory committee for the Map to Inclusive Child Care Project. This Project began in State fiscal year 1998-1999 with a federal technical assistance grant to support a statewide initiative to expand opportunities for inclusion of children with disabilities and other special needs in child care settings. Major activities will focus on: developing linkages among key agencies, groups, and stakeholders to create a service delivery system that better meets the needs of children with disabilities and their families; identifying and addressing infrastructure issues, including licensing, that are barriers to inclusion of children with disabilities in child care settings; identifying and disseminating models for training, blended funding, and resource utilization that support best practices for inclusive child care; and working with college faculty to revise early childhood/child development curriculum to include inclusion of children with disabilities. Participants will include representatives from key State agencies including CDE's Special Education Division and the Departments of Developmental Services, Social Services, and Mental Health.

CALIFORNIA DEPT. OF EDUCATION FUNDS**420****QUALITY IMPROVEMENT PROGRAM PLAN****IV. Child Care Capacity Building (continued)****2. Inclusion of Children with Disabilities and Special Needs**

Funds will be allocated to provide training for preschool and school-age staff on strategies, program practices, program models, and legal requirements regarding inclusion of children with disabilities and children with other special needs in child care and school-age settings.

V. Health and Safety**A. Healthline (800) 333-3212****

The California Child Care Healthline is a statewide, toll-free telephone service accessible to child care providers and parents. The purpose of the Healthline is to provide information and consultation on children's health and safety issues, including communicable disease management and reporting requirements; immunization; behavioral and nutritional concerns; child abuse; children with special needs; and early childhood education and development. Pediatric health professionals answer the Healthline. Referrals to health-related services are made when necessary.

B. Health and Safety Training for Licensed and License-Exempt Providers**

Resource and Referral agencies will receive funds through a contract to arrange for or provide reimbursement to licensed center-based staff, licensed family child care providers, and license-exempt family child care and in-home providers. Reimbursement is for costs associated with completing health and safety training, including Pediatric CPR; first aid; prevention and control of communicable disease in child care settings; safe handling of food; nutrition; disaster preparedness and mitigation; and other health-and safety-related subjects.

C. Trustline Registry of License-Exempt Providers**

Funds will support the Trustline Registry and help ensure the safety of California's children. License-exempt child care providers, including nannies and babysitters, who have passed a background screening, will be entered into the Registry. To meet minimum requirements all exempt caregivers listed with Trustline Registry are required to be cleared through a check of fingerprint records at the California Department of Justice, the child abuse central index, and a Federal Bureau of Investigation fingerprint check. The Trustline Registry also allows parents to verify that a babysitter and license-exempt child care provider has completed this process.

CALIFORNIA DEPT. OF EDUCATION FUNDS**420****QUALITY IMPROVEMENT PROGRAM PLAN****V. Health and Safety (continued)****D. Subsidized Trustline Applicant Reimbursement**

Funds will be used to continue the support of the Trustline Registration process of state and federally subsidized license-exempt providers. *Health and Safety Code* Section 1596.66 requires that "...if a fee is charged by the local resource and referral agency that takes a provider's fingerprints, the provider shall be reimbursed for this charge by the State Department of Education, through the local child care resource and referral agency, from federal Child Care and Development Block Grant funds to the extent that those funds are available." Fees associated with the Trustline process are paid for license exempt providers serving families who are eligible for subsidized child care or as participants in stages two and three of the CalWORKs child care system.

E. License Enforcement for Children's Child Care Programs **

The California Department of Social Services (CDSS), Community Care Licensing Division (CCLD), has responsibility for licensing child care facilities under authority of the California Health and Safety Code (Sections 1596.70, et. seq) and to enforce minimum standards contained in Title 22, Division 12, of the California Code of Regulations. The Division's mission is to protect the health and safety of children in care. CCLD license over 13,000-child care centers and more than 36,000 family child care homes. Ten counties, under agreement with the state, license another 5,900 family child care homes. This plan includes additional funds to conduct comprehensive licensing visits to child day care facilities. In addition, the Child Care Advocacy Program (CCAP) promotes the delivery of quality child care by providing a link between child care licensing and the community. CCAP tailors its activities to benefit each area's individual needs. A child care advocate is assigned to each CCLD field office and provides information to parents, child care providers, employers, educators and community groups.

VI. Program Evaluation**A. Evaluate Program Quality Improvement Activities**

Funds will be used to evaluate the efficiency and effectiveness of all major program quality activities over a five-year period. The evaluation results will be used to determine whether to continue, modify, or terminate the activities under review. Beginning in the State fiscal year 1998-1999, several programs will be evaluated each year to allow completion of all activities within the five-year cycle.

CALIFORNIA DEPT. OF EDUCATION FUNDS**420****QUALITY IMPROVEMENT PROGRAM PLAN****VII. Other Quality Activities Consistent with the Purposes and Requirements of the CCDF****A. Facilities Renovation and Repair Grants****

Funds will be used to maintain compliance with health and safety requirements established by State licensing regulations and local health and fire departments, to comply with the Americans with Disabilities Act (ADA) of 1990, and to purchase equipment necessary for the health and safety of the enrolled children. Funds may not be used for the purchase or improvement of land, or the purchase, construction, or permanent improvement of the facility. Only public or private nonprofit agencies currently under contract with the California Department of Education, Child Development Division, for center-based programs may apply for this funding.

B. Instructional Materials Grants **

Funds will be used to purchase developmentally appropriate durable or consumable curriculum related instructional materials. Grant amounts are determined by using the combined maximum reimbursable amount (MRA) of all subsidized programs operated by an individual agency. No grant is made for less than \$1,000.00. Center-based programs, family child care home networks, and resource and referral agencies currently under contract with the California Department of Education, Child Development Division, may apply for this funding.

**** This activity includes state funding**

II. GENERAL AUDIT PROCEDURES

No change and no change from Expenditures and Cost Principles, **Sections 430 – 443** inclusive.

ALLOCATION OF CAPITAL OUTLAY FUNDS**421****I. OBJECTIVES**

No Change

SUBJECT: Child Care Facilities: Loan Guarantees and Direct Loans**Impact on Licensees: LICENSEES MAY APPLY.**

Legislative Assembly Bill 855 (AB 855) makes technical changes to existing law governing the Child Care and Development Facilities Loan Guaranty Fund and the Child Care and Development Facilities Direct Loan Fund. Eligible facilities include licensed child care centers and family child care homes that serve more than six children. The loan guarantee and direct loan programs are administered by the California Department of Housing and Community Development (HCD).

Eligible facilities must primarily serve children from low-income families and must create or preserve child care spaces. Low-interest loans are available for up to 50 percent financing for the child care facility and related equipment and fixtures. Child care services must be provided during the entire term of the loan.

II. GENERAL AUDIT PROCEDURESSee **Schedule A**, FACT SHEET

California Department of Housing and Community Development
CHILD CARE FACILITIES FINANCING PROGRAM
SCHEDULE A
Fact Sheet

	Loan Guaranty Program	Direct Loan Program	Microloan Program					
Funds Available	<ul style="list-style-type: none">◆ May, 1999◆ Approximately \$14 million	<ul style="list-style-type: none">◆ May, 1999◆ \$3 million available	<ul style="list-style-type: none">◆ Late 1999/Early 2000◆ \$500,000 available					
Program Feature	Up to an 80% guaranty of a private sector loan used to finance the facility and related equipment and fixtures	Up to 50% financing of the investment in the facility and related equipment and fixtures (Reduced to 20%, if the same facility is also utilizing a loan guaranty)	Up to 50% financing for repairs and renovations to the home necessary to obtain or maintain a license for more than 6 children					
Threshold & Priority Criteria	<p>All applicants must meet <u>both</u> of the following <u>threshold</u> criteria:</p> <table><tr><td><ul style="list-style-type: none">◆ Create new child care and development capacity, or preserve capacity that would otherwise be lost</td><td>AND</td><td><ul style="list-style-type: none">◆ More than half of the children served shall come from households with incomes not exceeding 75 percent of the <u>local</u> median income</td></tr></table> <p>Applicants must also meet <u>one</u> of the following program <u>priorities</u>:</p> <table><tr><td><ul style="list-style-type: none">◆ More than half of the spaces being created or preserved shall provide for either infant care (birth to 3 years of age) and/or after school care for children from 5 to 14 years of age◆ The applicant is a current contractor with the California Department of Education to administer state and federally-funded child care and development programs</td><td><ul style="list-style-type: none">◆ The applicant currently operates a facility on or adjacent to a public school, and the project replaces the capacity which was lost due to class size reductions◆ More than half of the capacity being created or preserved shall serve children from "Welfare-to-Work" families</td></tr></table> <p><i>(30% of the available funds are reserved for a limited time for facilities located in rural counties)</i></p>			<ul style="list-style-type: none">◆ Create new child care and development capacity, or preserve capacity that would otherwise be lost	AND	<ul style="list-style-type: none">◆ More than half of the children served shall come from households with incomes not exceeding 75 percent of the <u>local</u> median income	<ul style="list-style-type: none">◆ More than half of the spaces being created or preserved shall provide for either infant care (birth to 3 years of age) and/or after school care for children from 5 to 14 years of age◆ The applicant is a current contractor with the California Department of Education to administer state and federally-funded child care and development programs	<ul style="list-style-type: none">◆ The applicant currently operates a facility on or adjacent to a public school, and the project replaces the capacity which was lost due to class size reductions◆ More than half of the capacity being created or preserved shall serve children from "Welfare-to-Work" families
<ul style="list-style-type: none">◆ Create new child care and development capacity, or preserve capacity that would otherwise be lost	AND	<ul style="list-style-type: none">◆ More than half of the children served shall come from households with incomes not exceeding 75 percent of the <u>local</u> median income						
<ul style="list-style-type: none">◆ More than half of the spaces being created or preserved shall provide for either infant care (birth to 3 years of age) and/or after school care for children from 5 to 14 years of age◆ The applicant is a current contractor with the California Department of Education to administer state and federally-funded child care and development programs	<ul style="list-style-type: none">◆ The applicant currently operates a facility on or adjacent to a public school, and the project replaces the capacity which was lost due to class size reductions◆ More than half of the capacity being created or preserved shall serve children from "Welfare-to-Work" families							

SCHEDULE A (continued)

	Loan Guaranty Program	Direct Loan Program	Microloan Program
Eligible Applicants	<p>Entities that provide licensed child care and development services including:</p> <ul style="list-style-type: none"> ◆ Sole proprietorships and partnerships ◆ Proprietary/nonprofit corporations ◆ Local public agencies ◆ Family child care providers serving more than six children 	<p>Entities that provide licensed child care and development services including:</p> <ul style="list-style-type: none"> ◆ Sole proprietorships and partnerships ◆ Proprietary/nonprofit corporations ◆ Local public agencies ◆ Family child care providers serving more than six children 	<ul style="list-style-type: none"> ◆ Licensed family child care providers serving more than 6 children
Eligible Use of Funds	<ul style="list-style-type: none"> ◆ Purchase, acquire, construct or develop a child care facility, and related equipment and fixtures ◆ Guaranties for improvements are limited to those improvements necessary for: <ul style="list-style-type: none"> ◆ A license ◆ Health and safety ◆ Seismic ◆ Access for disabled children ◆ Family child care homes are limited to those repairs, renovations, related equipment and fixtures necessary to meet licensing requirements 	<ul style="list-style-type: none"> ◆ Purchase, acquire, construct or develop a child care facility, and related equipment and fixtures ◆ Loan proceeds for improvements are limited to those improvements necessary for: <ul style="list-style-type: none"> ◆ A license ◆ Health and safety ◆ Seismic ◆ Access for disabled children ◆ Family child care homes are limited to those repairs, renovations, related equipment and fixtures necessary to meet licensing requirements 	<ul style="list-style-type: none"> ◆ Repairs/renovations to a home and related equipment and fixtures that are necessary to meet licensing requirements
Ineligible Use of Funds	<ul style="list-style-type: none"> ◆ Working Capital ◆ Inventory ◆ Supplies ◆ Primarily for refinancing ◆ To purchase a home 	<ul style="list-style-type: none"> ◆ Working Capital ◆ Inventory ◆ Supplies ◆ Primarily for refinancing ◆ To purchase a home 	<ul style="list-style-type: none"> ◆ Working Capital ◆ Inventory ◆ Supplies ◆ Primarily for refinancing ◆ To purchase a home

SCHEDULE A (continued)

	Loan Guaranty Program	Direct Loan Program	Microloan Program
Rates/Terms/Conditions	<ul style="list-style-type: none"> ◆ Maximum amount of guaranty is \$1 million ◆ Guaranty cannot exceed 20 years ◆ Applicant agrees to provide child care services for the term of the guaranty ◆ Family child care homes must provide evidence from the licensing agency that repairs/equipment are required to obtain or maintain a license for more than six children <p><i>(Note: Lender sets interest rate and terms for the private sector loan.)</i></p>	<ul style="list-style-type: none"> ◆ Minimum loan amount of \$25,000 ◆ Maximum loan \$1,000,000 ◆ Maximum loan term is 20 years ◆ Below prime fixed interest rate ◆ Construction financing available ◆ Borrower agrees to provide child care services for term of the loan ◆ Family child care homes must provide evidence from the licensing agency that repairs/equipment are required to obtain or maintain a license for more than six children 	<ul style="list-style-type: none"> ◆ Maximum loan amount is \$25,000 ◆ Maximum loan term is 10 years ◆ Interest rate to be determined by the selected microlender ◆ Evidence from licensing agency that repairs/equipment are required to obtain or maintain a license for more than six children ◆ Borrower agrees to provide child care services for term of the microloan
Loan Fees	<ul style="list-style-type: none"> ◆ Guaranty application fee of up to \$250 ◆ Loan guaranty origination fee of up to 2% <p><i>(Note: Lender will also charge loan fees for the private sector loan.)</i></p>	<ul style="list-style-type: none"> ◆ An application fee of \$250 ◆ Loan origination fee of 1% 	<ul style="list-style-type: none"> ◆ Undetermined at this time
Collateral	<ul style="list-style-type: none"> ◆ None for the guaranty <p><i>(Note: Collateral will be required for the private sector loan.)</i></p>	<ul style="list-style-type: none"> ◆ Secured by liens on real estate, personal guaranties, or other reasonably available collateral ◆ Liens can be in subordinate position 	<ul style="list-style-type: none"> ◆ Determined by selected microlenders
How to Apply	Loan guaranties issued by any California Small Business Financial Development Corporation	Loan applications can be obtained from HCD or any California Small Business Financial Development Corporation	Funding anticipated to be obtained from experienced microlenders chosen by HCD

CALWORKS PROGRAM FUNDS:**422****I. OBJECTIVE**

No Change

II. GENERAL AUDIT PROCEDURES

- a) Regarding Trustline, the phrase "providers previously exempt from Trustline..." has been deleted because, with the shift of responsibility from the Department of Justice to the Department of Social Services, this exemption now only applies to Stage 1 providers.
- c) Language requiring notification of parents regarding their legal and financial reporting requirements if they select in-home care was moved from the Information on Contractor Policies section to the Information to be Given to Parents section.
- b) For Stages, definitions of "work activity" and "former recipient" were added. The 1998-99 COLA increase was removed from the allocation in the proposed 1999-00 Budget Bill. A few additional "clean-up" changes were made for consistency among the General Fund contracts and the Child Care and Development Fund contracts.

Sample Results

Total estimated population: _____
Sample size: _____
Actual attributes tested: _____
No. of errors in sample: _____
Expected error rate: _____
Tolerable error rate: _____
Actual error rate achieved: _____

Additional testing required? Yes No

B "PROJECT/PILOT" PROGRAM FUNDS**425****(Section 8215, Education Code)**

Legislative Assembly Bill 1052 (AB 1052) deletes the January 1, 2001, sunset date for the California Child Care Initiative Project. There is no new sunset date for the project.

CONTRACTED SERVICES**434****I. OBJECTIVE**

No Change

II. GENERAL AUDIT PROCEDURES

A section (Child Support Compliance) has been added pursuant to the provisions of Public Contract Code Section 7110 which became effective January 1, 1999. By signing the contract, the contractor is acknowledging that it recognizes the importance of child and family support obligations, will comply with laws relating to enforcement and, to the best of its knowledge, is fully complying with earnings assignment orders and providing names of new employees to the New Hire Registry maintained by the Employment Development Department.

Sample Results

Total estimated population: _____
Sample size: _____
Actual attributes tested: _____
No. of errors in sample: _____
Expected error rate: _____
Tolerable error rate: _____
Actual error rate achieved: _____

Additional testing required? Yes No

DEPRECIATION, USE ALLOWANCE, AND CAPITAL OUTLAY**437****I. OBJECTIVE**

No Change

II. GENERAL AUDIT PROCEDURES**State Preschool**

Language has been added to the Capital Outlay section (p. 8) of CDD's Funding Terms and Conditions to reflect statutory changes made in 1997-98 (inadvertently omitted in 1998-99):

Capital outlay expenditures are those that result in the acquisition of or additions to capital assets. Capital outlay expenditures are subdivided into two categories: (1) sites and improvement of sites; buildings; improvement of buildings; building fixtures; and services systems; and (2) equipment which includes personal property of a relatively permanent nature and/or of significant value. (See the California School Accounting Manual for categorization of various items.) Capital outlay expenditures for category (1) are reimbursable as depreciation or use allowance. Capital outlay expenditures for licensable facilities in the community served by the program are reimbursable as lease payments, payments of principal and interest on loans incurred to acquire, rehabilitate or construct licensable facilities as long as the costs do not exceed fair market rents existing in the community in which the facility is located. In addition, to be reimbursable, interest paid on private sector debt for the purchase, lease-purchase, repair or renovation of child care and development facilities owned or leased by contractors providing center-based care must not exceed the value obtained by the state in the use of the facilities for the child care and development program during the year.

- A. Determine that the amount of expenditures charged is correct.
1. Examine the agency's depreciation schedule and determine that assets being depreciated and claimed against Child Development and ABE program contract funds are agency owned assets only.
 2. Determine that depreciation amounts were computed properly; and
 3. Depreciation and associated costs must be disclosed in the notes to the financial statements.

DEPRECIATION, USE ALLOWANCE, AND CAPITAL OUTLAY**437****State Preschool (continued)**

- B. Expenditures listed in the following classifications must be shown on the Schedule of Renovation and Repair Expenditures and the Schedule of Equipment Expenditures Utilizing Contract Funds included in the audit report as supplemental information:

6100 - Sites and Improvements of Sites
6200 - Buildings and Improvements of Buildings
6400 - Equipment
6500 - Equipment Replacement

Sample Results

Total estimated population: _____
Sample size: _____
Actual attributes tested: _____
No. of errors in sample: _____
Expected error rate: _____
Tolerable error rate: _____
Actual error rate achieved: _____

Additional testing required? Yes No

INDIRECT COST

438

I. OBJECTIVE

No Change

II. GENERAL AUDIT PROCEDURES

- B. Review the calculation of indirect costs to ensure that:
5. For all alternative payment programs, indirect cost related to administrative activities fall within the eight percent (8%) cap on administrative costs. Refer to **Section 900**, Indirect Cost Allocation Plan.

INDIRECT COST**438****II. GENERAL AUDIT PROCEDURES (continued)*****Sample Results***

Total estimated population: _____

Sample size: _____

Actual attributes tested: _____

No. of errors in sample: _____

Expected error rate: _____

Tolerable error rate: _____

Actual error rate achieved: _____

Additional testing required? Yes No

**ADMINISTRATIVE COSTS AND OTHER RELATED
CHILD CARE COSTS (ORCCC; DELETED)****440****I. OBJECTIVE**

No Change

II. GENERAL AUDIT PROCEDURES

Contractors may claim administrative costs that are directly related to the provision of Child Care and Development, and ABE programs services, as follows:

Child Development Programs**Alternative Payment and CalWORKs programs:**

The administrative costs and support services provisions of 1996-97 will again be used. The definition of "other related child care costs" and related references have been deleted. The requirements will again be at least 75 percent of net reimbursable program costs in payments to providers and no more than 15 percent in administration (for the Stages contracts, based on continuing Budget Act language, at least 80 percent must be direct payments to providers).

Sample Results

Total estimated population: _____
Sample size: _____
Actual attributes tested: _____
No. of errors in sample: _____
Expected error rate: _____
Tolerable error rate: _____
Actual error rate achieved: _____

Additional testing required? Yes No

GENERAL RECORDKEEPING/REPORTING REQUIREMENTS**452****I. OBJECTIVE**

No Change

II. GENERAL AUDIT PROCEDURES

A Section Titled "Reports on Children and Families" has been added to reflect State and federally mandated reporting requirements (annual CD-800 for all programs; monthly CDD-801A and, if requested CDD-801B for all programs except Resource and Referral; and quarterly CD-802 Usage and Demand Report for Stages).

The audit should emphasize whether or not the agency prepares these reports and maintains supporting documentation.

Sample Results

Total estimated population: _____

Sample size: _____

Actual attributes tested: _____

No. of errors in sample: _____

Expected error rate: _____

Tolerable error rate: _____

Actual error rate achieved: _____

Additional testing required? Yes No

1999-2000

SPECIFIC REQUIREMENTS

CHANGES

CENTER BASED PROGRAMS**460****I. OBJECTIVE**

No Change

II. GENERAL AUDIT PROCEDURE

1. Under Attendance and Excused Absences, the exclusion of CPS children from the 10-day limit on "best interest of the child" was added (this should have been incorporated several years ago when CPS children became a priority in the State Preschool programs).

Sample Results

Total estimated population: _____
Sample size: _____
Actual attributes tested: _____
No. of errors in sample: _____
Expected error rate: _____
Tolerable error rate: _____
Actual error rate achieved: _____

Additional testing required? Yes No

AGENCY STAFF (continued)**463****II. GENERAL AUDIT PROCEDURES
(continued)****D. Waiver Requests**

Determine that:

Program Directors and Site Supervisors may use the **Staff Qualifications Waiver Request (CD 7701A)** form is documented to apply for a waiver of staff qualifications.

Exceptional Needs Children Enrollment Waiver Request (CD 7701B) form is documented for federally funded contracts if the agency is unable to meet the 10 percent enrollment requirement for exceptional needs children.

Extended Day Care Services Program, State Participation Limit Waiver Request (CD 3700) form is documented to request a waiver of the 50 percent enrollment requirement for non-subsidized children in the Latchkey (GLTK) program. Contractors that are unable to meet this enrollment requirement and lack an approved waiver have their reimbursement reduced by the Child Development Fiscal Services. This waiver form does not apply to any other contract type that provides care to school-age children.

Sample Results

Total estimated population: _____
Sample size: _____
Actual attributes tested: _____
No. of errors in sample: _____
Expected error rate: _____
Tolerable error rate: _____
Actual error rate achieved: _____

Additional testing required? Yes No

I. OBJECTIVE

No Change

II. GENERAL AUDIT PROCEDURES**A. Staffing Qualifications Matrix:****Center Programs Except Latchkey**

The Staffing Qualifications Matrix (Attachment A to the FT&C) has been reformatted. Waiver language for Program Director (Education Code Section 8244) is now included. A new section, Applicability of Requirements, reflecting Education Code Section 8242 has been added (this language was included in Attachment A in 1998-99).

B. Personnel Certification:

Additions to Attachment A and Child Development Matrix:

Determine that:

1. **Center-Based Programs and Family Child Care Home Network**, if the contractor operates at two or more sites, the contractor shall either employ a program director or a Master Teacher who can legally supervise in lieu of program director that has administrative and programmatic responsibility to the program.
2. **Center-Based Programs**, at each site there shall be a person designated as the site supervisor who has operational program responsibility for the program.
3. **Extended Day Care Services Program only:**
 - a) Site Supervisors meet the requirements pursuant to *California Code of Regulations*, Title 5, Section 18205
 - b) Teachers meet the requirements pursuant to *California Code of Regulations*, Title 5, Section 18206

C. Subcontract Certification

Determine that:

Agencies using a subcontractor(s) for management and/or direct services complete the Subcontract Certification form. The content of the subcontract must fully comply with CCR, Title 5, and the Funding Terms and Conditions of the contract. Audit management and/or direct services subcontracts in accordance with Section 470, 1998-99 Specific Requirements.

STAFFING QUALIFICATIONS - Attachment A

<i>Program Director Qualifications</i>	<i>Site Supervisor Qualifications</i>	<i>Teacher Qualifications</i>
<p><u>Education/Experience/Permit Requirements</u></p> <ul style="list-style-type: none"> • A permit issued by the Commission on Teacher Credentialing authorizing supervision of a child care and development program operating in multiple sites. This can be either of the following permits: <ul style="list-style-type: none"> A. Child Development Program Director Permit B. Children's Center Supervision Permit <p style="text-align: center;"><u>OR</u></p> <ul style="list-style-type: none"> • A current credential issued by the Commission on Teacher Credentialing authorizing teaching service in elementary school or a single subject credential in home economics, and six units in administration/supervision of ECE/CD (not required to any person who was employed as a program director prior to 1/1/93 in a child care and development program receiving funding by the CDD) and 12 units of ECE/CD or at least two years' experience in an ECE/CD program. <p style="text-align: center;"><u>OR</u></p> <ul style="list-style-type: none"> • An Administrative Services Credential authorizing administration or supervision in public schools in California that includes a preschool authorization. <p><u>For Severely Handicapped Programs only:</u> Education Code Section 8360.3</p> <p><u>For School-Age Community Child Care Programs only:</u> CCR, Title 5, Section 18203</p> <p>(For Severely Handicapped and School-Age Community Child Care Programs, the requirements have not changed.)</p>	<p><u>Education/Experience/Permit Requirements</u></p> <ul style="list-style-type: none"> • A permit issued by the Commission on Teacher Credentialing that authorizes supervision of a child care and development program operating in a single site. This can be either of the following permits: <ul style="list-style-type: none"> A. Child Development Site Supervisor Permit B. Children's Center Supervision Permit. <p style="text-align: center;"><u>OR</u></p> <ul style="list-style-type: none"> • A current credential issued by the Commission on Teacher Credentialing authorizing teaching service in elementary school or a single subject credential in home economics, and six units in administration/supervision of ECE/CD (Not required to any person who was employed as a program director prior to 1/1/93 in a child care and development program receiving funding by the CDD) and 12 units of ECE/CD or at least two years' experience in an ECE/CD program. <p style="text-align: center;"><u>OR</u></p> <ul style="list-style-type: none"> • An Administrative Services Credential authorizing administration or supervision in public schools in California that includes a preschool authorization. <p><u>For School-Age Community Child Care Programs only:</u> Title 5, California Code of Regulations, Section 18205</p> <p>(For School-Age Community Child Care Programs, the requirements have not changed)</p>	<p><u>Education/Experience/Permit Requirements</u></p> <ul style="list-style-type: none"> • A permit issued by the Commission on Teacher Credentialing authorizing service in the care, development, and instruction of children in a child care and development program. This can be either of the following permits: <ul style="list-style-type: none"> A. Regular Children's Center Instructional Permit B. Limited Children's Center Instructional Permit C. Emergency Children's Center Instructional Permit D. Child Development Master Teacher Permit E. Child Development Teacher Permit F. Child Development Associate Teacher Permit (Note: This permit authorizes the holder to supervise Assistant Permit holders only, not aides). <p style="text-align: center;"><u>OR</u></p> <ul style="list-style-type: none"> • A current credential issued by the Commission on Teacher Credentialing authorizing teaching service in elementary school or a single subject credential in home economics, and 12 units in ECE and/or CD or two years' experience in early childhood education or a child care and development program. <p><u>For Severely Handicapped Programs only:</u> Education Code Section 8360.3</p> <p><u>For School-Age Community Child Care Programs only:</u> CCR, Title 5, Section 18206</p> <p>(For Severely Handicapped and School-Age Community Child Care Programs, the requirements have not changed.)</p>

COMPLIANCE TESTING ATTRIBUTES**490****Center Programs****Programs Serving CPS Children**

Language under Need and Eligibility has been modified to further clarify that: (1) a child in custodial care is typically deemed a "family of one" for purposes of computing income and fees and (2) "parent" in determining need includes custodial adults and guardians. In addition, a cross-reference to the Documentation for Child Protective Services section was added to the definition of "child protective services children."

COMPLIANCE TESTING ATTRIBUTES

490

I. OBJECTIVE

No Change

II. GENERAL AUDIT PROCEDURES**ALTERNATIVE PAYMENT PROGRAMS****3. CalWORKs Stages:
GAPP, GCPS, and FAPP Setaside Programs**

Under federal Stage 2 and Stage 3 Setaside programs, reimbursement for the cost of care including religious instruction or worship is allowable, but under general fund Stage 2 and Stage 3 Setaside programs, it is not.

Stage 2 - Federal Fund Interim (F213 and F216)

Families must have been enrolled in G3AP as of 6/30/99 to be eligible under these contracts. In addition to this requirement, F2AP eligibility and need requirements must be met.

Space #1

**A. Interim - Stage 2 TANE - Federal Fund:
F2I3 and F2I6 ("Timed-Out" CCDF Contracts (TOC))**

Under the 2000 Budget Act, provisional funding was enacted and reserved exclusively for child care for former CalWORKs recipients who have left cash aid, but still meet eligibility requirements for receipt of child care services. Such provision is funded in the following "Time-Out" CCDF contracts (TOC):

F2I3 - Twelve (12) month contract where apportionments are paid out over a period of three (3) months.

F2I6 - Twelve (12) month contract where apportionments are paid out over a period of six (6) months.

Eligibility

- Former CalWORKs recipient
- Not receiving Cash Aid
- At or below 75%
- Child under 13
- Incapacity to 18

Need

- CPS
- Employed
- Job training and education
- Seeking employment
- Incapacity of other adult

Priority

- CPS first, then lowest per capita income
- Same as FAPP

COMPLIANCE TESTING ATTRIBUTES**490****ALTERNATIVE PAYMENT PROGRAMS****A. Interim - Stage 2 TANE - Federal Fund (continued)****Stage 3 Setaside**

Agencies are allowed 25 percent of direct payments to providers for administration and support services under the 1999 (equivalent to 20 percent of net reimbursable program costs). Agencies are reimbursed for the cost of care provided not to exceed 1.5 standard deviations based on the Regional Market Rate Survey.

Stage 3 Setaside - Federal Fund (F3AP)**B. CalWORKs - Federal/Stage 3
F3AP - "Set Aside Slots":**

Priorities for Transition from Interim Stage 2 TANF to Stage 3 F3AP - "Set-Aside slots":
Since, at this time, there is no guidance from Legislature for priority other than the existing order of:

1. CPS, first
2. Lowest income, second
3. Preferred rights, third

the nature and intent of the interim timed-out F2I3 and F2I6 contracts determine priority as:

- First ones who Timed-Out move first (FTOF)

Into Stage 3 AP Federal Fund (F2AP) contract.

Eligibility

CalWORKs recipient; former
CalWORKs recipient; lump-sum
diversion payment or services
recipient
At or below 75%
Child under 13
Incapacity to 18

Need

Must be in work activity to
enter Stage 3; once in same
as FAPP

Priority

Shortest amount of
time left before 24 -
month eligibility
expires

After initial enrollment in the Stage 3 Setaside, the family may continue to be served in the Stage 3 Setaside as long as the income ceiling is not exceeded, the FAPP age limit is not reached and FAPP need criteria are met (adds CPS).

COMPLIANCE TESTING ATTRIBUTES**490****II. GENERAL AUDIT PROCEDURES****ALTERNATIVE PAYMENT PROGRAMS****3. CalWORKs Stages (continued)****Programs Serving CPS Children**

Language under Need and Eligibility has been modified to further clarify that: (1) a child in custodial care is typically deemed a "family of one" for purposes of computing income and fees and (2) "parent" in determining need includes custodial adults and guardians. In addition, a cross-reference to the Documentation for Child Protective Services section was added to the definition of "child protective services children."

OTHER PROGRAMS**6. FQU1 - (CCDF) - CONSORTIA**

The following provides a description of activities each consortium is to focus on for FY 1999-2000. The activities demonstrate how funds are to be utilized, and information/materials that must be submitted by July 20, 2000 to meet the terms and conditions of this contract.

- 1) Each consortium is to submit a summary of the capacity building efforts achieved to increase consortium membership. The goal in recruiting new members should be based on achieving equitable representation of individuals from a variety of child care program types and services available in the community. For example, representatives from both CDD funded and non-funded agencies (center-based, alternative payment, and resource and referral, newly funded CDD agencies), tribal council representatives, family child care network representatives/providers, and Head Start program staff should be pursued. The summary is to include a listing of: the name of each member, what agency/organization they are representing, and their program affiliation (i.e., center-based, Head Start, private for-profit program, etc.)
- 2) Each consortium is to submit to the CDD actual products related to consumer education that may have been developed with contract funds. These include child care needs assessments, parent surveys, literacy awareness materials, program quality brochures, newsletters, parent involvement/education training documentation, transition projects, kindergarten readiness activities.
- 3) Each consortium is to submit to the CDD samples of minutes from meetings, agendas, workshop flyers, and a brief description of how staff development training plans have been developed and implemented.
- 4) Each consortium is to submit to the CDD an itemized budget and written description of what and how the contract funds were used at the end of the contract fiscal year.

COMPLIANCE TESTING ATTRIBUTES**490****OTHER PROGRAMS (continued)**

- 5) Each consortium is to submit to the CDD description of the linkages that have occurred through participation in various training opportunities that are either sponsored or not sponsored by the CDD. Some examples include involvement in the training consortium, mentor teacher or director mentor project, infant/toddler care giver institute, family child care collaborative project, Department of Social Services licensing trainings, health and safety workshops, school-age child care activities, and headstart collaboration. Funds may also be used to assist in program quality accreditation (e.g. NAEYC, Montessori certification).
- 6) Each consortium is to submit a description of the collaboration efforts achieved by interfacing with their Local Child Care Planning Council, contracts with the Resource and Referral Network, local Headstart program coordination activities, county welfare and social services resources within the community, parent advisory groups, and any other public or private organizations that have an interest in children and meeting family needs.

The CDD is developing the total Desired Results Evaluation System (DRES) for implementation in late fall 2000. The DRES will provide standards, indications, and measures into agency's consortia programs.

Audit Requirements

Consortia funds should be treated in the same manner as any other child development contract; therefore, the non-LEA (local educational agencies--school districts) contractors overseeing expenditures of consortia funds are required to include them in their audit reports. The audit report should reflect a grant calculation whereas revenues and expenses match. If an LEA is named as the contractor receiving consortia funds for the county, the Fiscal and Administrative Services Division (FASD)/CD 9529 report form must be completed and forwarded by July 20, 2000.

ADULT BASIC EDUCATION**495****I. OBJECTIVE**

No Change

II. GENERAL AUDIT PROCEDURES**I. Compliance with Adult Basic Education (ABE) Program General Assurances****C. Review the student record-keeping system:**

The provision and support of ABE program services is **no** longer dependent upon the calculation of the Hundred Hour Units (HHU's) as reported on the final claim form and the Program Activity and Expenditure Report. Quantitatively, "student program achievement" replaces HHU's.

Earned - for APPs, net reimbursable program costs of which at least 75 percent must be payments for direct services, no more than 25 percent may be for support services and administrative costs together, and no more than 15 percent may be for administrative costs alone. Pursuant to the 1999 Budget Act, administration and support costs in CalWORKs programs cannot exceed 25 percent of direct payments to providers (20 percent of net reimbursable program costs).

Former CalWORKs recipient - an individual who received cash aid under AFDC or CalWORKs in the 24 months before applying for CalWORKs child care and needs to continue employment of fulfill a county-approved program activity.

Other Related Child Care Costs (ORCCC)

Deleted; Rescinded

Prototype

Deleted; Rescinded

Work activity - an activity as described under the definition of "approved work activity" without necessarily being a part of a county-approved welfare-to-work plan.